

Entered January 5, 1973
A.P.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4876
Order No. R-4466

APPLICATION OF GULF OIL CORPORATION
FOR AN UNORTHODOX OIL WELL LOCATION
AND AMENDMENT OF ORDER NO. R-2248,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 19, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 5th day of January, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Gulf Oil Corporation, is the operator of the West Dollarhide-Devonian Waterflood Project in its West Dollarhide-Devonian Unit Area, West Dollarhide-Devonian Pool, Lea County, New Mexico, approved by Commission Order No. R-2248.

(3) That the applicant seeks authority to drill its West Dollarhide Devonian Unit Well No. 118 in said waterflood project area at an unorthodox location 2540 feet from the South line and 1420 feet from the West line of Section 33, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico.

(4) That the proposed unorthodox location is necessary to complete an efficient oil producing pattern.

(5) That the applicant further seeks the amendment of said Order No. R-2248 to provide for the establishment of an administrative procedure whereby the Secretary-Director of the Commission may authorize expansion of said West Dollarhide-Devonian Waterflood Project to include additional injection wells and producing wells at unorthodox locations as may be necessary to complete an efficient injection and producing pattern.

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(6) That approval of the aforesaid amendment will afford the applicant the opportunity to produce its just and equitable share of the oil in the West Dollarhide-Devonian Pool, and will otherwise prevent waste and protect correlative rights, provided said producing wells and injection wells are drilled no closer than 330 feet to the outer boundary of said West Dollarhide-Devonian Unit nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary.

(7) That the West Dollarhide-Devonian Waterflood Project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized to drill its West Dollarhide Devonian Unit Well No. 118 in the West Dollarhide-Devonian Waterflood Project in its West Dollarhide-Devonian Unit Area, West Dollarhide-Devonian Pool, at an unorthodox location 2540 feet from the South line and 1420 feet from the West line of Section 33, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico.

(2) That Order (6) of Order No. R-2248 is hereby amended to read in its entirety as follows:

"(6) That the West Dollarhide-Devonian Waterflood Project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the West Dollarhide-Devonian Waterflood Project to include such additional injection wells and producing wells at unorthodox locations as may be necessary to complete an efficient injection and producing pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of said West Dollarhide-Devonian Unit nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary, and provided that the application therefor has been filed in accordance with Rule 701 B of the Commission Rules and Regulations, and provided further, that a copy of the application has been sent to all offset operators, if any there be, and no such operator has objected within 15 days."

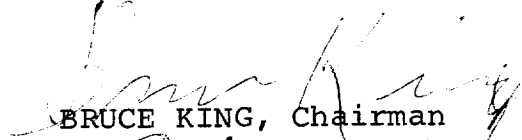
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

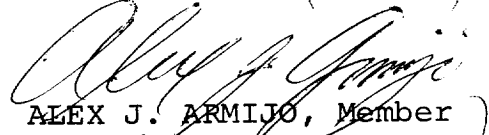
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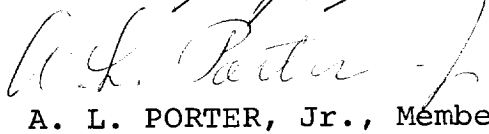
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


A. L. PORTER, Jr., Member & Secretary

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